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Dear Mr. Goldwater:

Deputy Secretary Christopher has asked me to respond to your request for information concerning Northrop Corporation's sale of propeller-driven drone aircraft to Argentina. I had a chance to discuss the situation briefly with Mr. Blact of your office, but I also wanted to give you a written response on this matter. As you requested, I have enclosed a list of all pending Munitions List cases for Argentina.

Both the Administration's human rights policy and Section 502B of the Foreign Assistance Act of 1961, as amended, require that human rights considerations be taken into account when approving applications for the export of items on the Munitions List. After September 30, 1978, Section 620B of the Foreign Assistance Act will bar the approval of licenses for the export of Munitions List items to the Government of Argentina.

Few new arms sales to Argentina have been approved since last October because of the serious human rights problems there. We have discussed this with the Argentine Government on several occasions over the past few months. We had hoped that the human rights situation in Argentina would have improved sufficiently by now to allow the approval of new licenses. This has not been the case, however, and we continue to be deeply concerned about the persistence of human rights problems in that country, particularly the disappearances, unexplained deaths, tortures, and prolonged imprisonment without charges of numerous persons including churchmen, labor leaders and members of local human rights organizations.

Department officials have advised their Argentine counterparts that the United States has a sincere desire for improved relations with the Argentine Government but that the human rights problems trouble us deeply. We have reviewed Northrop's case with other interested bureaus in the Department including the Legal Adviser's Office. Unfortunately the lack of significant improvement in this situation makes it impossible for us to recommend to the Office of Munitions Control

The Honorable
Barry Goldwater, Jr.,
House of Representatives.

ARGENTINA PROJECT (S200000044)

U.S. DEPT. OF STATE, A/RPS/TPS

Margaret P. Grafeld, Director

☒ Release ☐ Excise ☐ Deny

Exemption(s):

Declassify: ☐ In Part ☐ In Full

☐ Classify as ☐ Extend as ☐ Downgrade to

Date ☐ Declassify on Reason

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that the suspension of Northrop's license to export Munitions List items to Argentina be lifted at the present time. Mr. Robinson of the Office of Munitions Control will inform Northrop of the decision to maintain the suspension of the company's export license.

Concerning the sale of 15 Beechcraft T 34 C planes to Argentina, which I discussed with Mr. Black, the Department believes the case differs substantially from the proposed Northrop sale.

In March, at the time Beechcraft had completed work on the planes and requested a license from the Department, there had been some positive movement on human rights in Argentina--300 prisoners were released in a Christmas amnesty, lists of prisoners held without charges were being issued in February and we were hopeful that the Argentine Government would begin to move more rapidly to try, release or exile these prisoners. Because of these positive trends and the desire to encourage further movement on human rights, the Department approved the Beechcraft license. Unfortunately, the positive trends which were apparent in March have not continued.

A second factor in the Beechcraft case was that the purchase of the planes was financed with funds previously made available to Argentina under the Foreign Military Sales program.

We recognize the hardship which a license denial may impose on the Northrop Corporation and its employees. Nevertheless, we believe that the current Argentine human rights situation must be a determining factor in this case.

Sincerely,

Francis J. McNeil
Deputy Assistant Secretary for
Inter-American Affairs.

Enclosure:

As stated.

Drafted:ARA/ECA:JNBumpus:jma
8/1/78 x29166 SS #7812943

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